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Contact: Mark Pfeiffer or John-Mark Hack (502)564-2611

Governor Convenes Second Agricultural Development Board Meeting

Governor Paul Patton convened the Kentucky Agricultural Development Board today in a board room overlooking hundreds of exhibits at the Kentucky State Fair. The board met for the second time since the Governor made his appointments of members in July.

The Agricultural Development Board, chaired by the Governor, has the responsibility of overseeing the use of approximately \$180 million in tobacco settlement funds for agricultural development purposes. The 15 members received three different presentations designed to help them focus on the task at hand.

Dr. Tim Woods, an Assistant Professor of Agricultural Economics at the University of Kentucky, was introduced to the Board as the newest member of their staff. Dr. Woods will provide economic analysis and assist in strategic development for the board as they consider ways to make best use of the resources entrusted to them. Dr. Woods has a broad range of experience in agricultural marketing and farm business development, and has extensive knowledge of agricultural cooperatives and value-added initiatives.

Lynn Winter, CEO of a company called Boards That Rock, briefed the Board on a model of operation known as Policy Governance. The board will utilize the model to guide their actions and as they prepare the comprehensive plan for Kentucky agriculture required by HB 611, the legislation that created the Agricultural Development Fund.

Dr. Woods, Dr. Becky Naugle of the UK Small Business Development Center, and Mr. Don Halcomb, a farmer and member of the Governor's Commission on Family Farms, made a presentation on "Building Entrepreneurial and Business Capacity in Kentucky Agriculture: Investing in the Long-Term Success of the Board and its Owners."

The three suggested that the best way to ensure the board's long-term success was to invest in the people the board represents. Farmers in Kentucky often need business assistance to develop potentially profitable ideas for farm products. Business plans, product feasibility studies, marketing studies and other business development skills have not been readily available to farm families in Kentucky. An effort to provide such services to agricultural audiences would enhance the overall viability of proposals for use of monies from the Agricultural Development Fund.

Fayette County farmer Frank Penn, Lexington Mayor Pam Miller, and Margaret Graves presented the board with a briefing on Fayette County's plan to purchase development rights from farmers. The plan would provide a remedy to the negative cash-flow problems faced by many farmers, and enable them to keep their land agriculturally active. The program would pay farmers the difference between the agricultural value of their land and the development value of their land in exchange for a permanent easement that restricts use of the property.

The unique rural landscape around Fayette County constitutes an asset enjoyed by all Kentuckians. Thousands of people visit Fayette County every year, spending millions of dollars in Fayette and surrounding counties enjoying the agricultural landscape.

"It's an asset we all enjoy the benefits of, and we should all do what we can to preserve it," said Governor Paul Patton.

The Board also approved a planning framework for the County Agricultural Development Councils created by HB 611. The action guide approved by the board encourages county councils to take aggressive steps to develop a broad range of public input on how best to use money set aside for agricultural development in each county.

The first phase of work for county councils should be devoted to distributing information to and gathering input from the general public. Board staff will soon begin distributing guides to local councils to facilitate quick reaction to the board's plan.